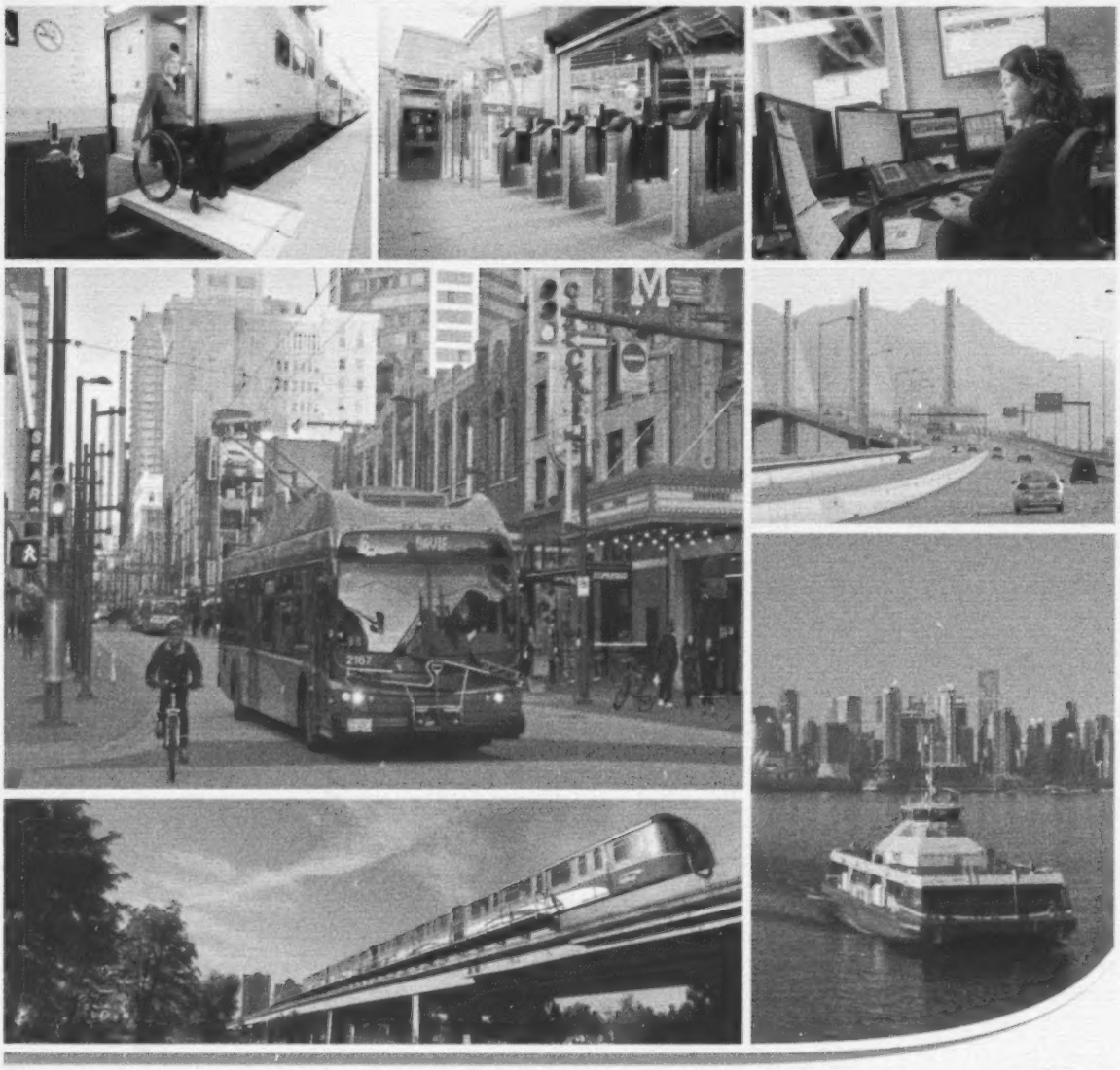
2014 FIRST QUARTER FINANCIAL AND PERFORMANCE REPORT



TRANSLINK

Table of Contents

1. **Financial and Performance Summary** **3**
2. **Financial and Operating Summary with Update on Efficiencies** **6**
3. **Consolidated Statement of Operations Analysis** **8**
4. **Investment in Capital Assets** **16**
   - Approval in Principle Projects 17
5. **Changes in Financial Position** **19**
6. **Liquidity and Capital Resources** **21**
7. **Consolidated Financial Statements and Appendices** **22**
   - Schedule 1: Consolidated Financial Statements 22
   - Schedule 2: Funded Statement of Operations 27
   - Appendix 1: Bus Operations 28
   - Appendix 2: Rail Operations 29
   - Appendix 3: Allocated Costs between Divisions 30

Caution Regarding Forward-Looking Statements

From time to time, TransLink makes written and/or oral forward looking statements, including in this document, and in other communications. In addition, representatives of TransLink may make forward-looking statements orally to analysts, investors, the media and others.

Forward-looking statements, by their nature, require TransLink to make assumptions and are subject to inherent risk and uncertainties. In light of the uncertainty related to the financial, economic and regulatory environments, such risks and uncertainties, many of which are beyond TransLink's control, and the effects of which can be difficult to predict, may cause actual results to differ materially from the expectations expressed in the forward-looking statements.

1. *Financial and Performance Summary*

The first quarter resulted in a $15.9 million surplus, $24.2 million better than budget.

Key factors resulting in better than forecast financial results include:

- Fuel tax revenue higher due to stronger diesel sales
- Continued focus on sustaining cost savings and efficiencies across the organization
- Timing of Major Road Network contributions to municipalities
- Timing of Compass Card implementation

All operating indicators are tracking favourably with the exception of ridership and complaints which are slightly below forecast.

- Customer satisfaction remains high at 7.6 out of ten, unchanged from December's survey
- All cost measures are tracking favourably

Strategic Focus

TransLink aligns the organization around five strategic goals, which focus on the critical success factors for the organization: **customer experience**, **financial viability**, **stakeholder accountability**, **internal effectiveness** and **employee success**. To ensure alignment with the strategic goals, TransLink's senior management provides the organization with five strategic objectives; the 2014 strategic objectives and corresponding quarterly updates are listed below:

Customer Experience

Objective: ***Meet our customers' expectations in the implementation of Compass Card and infrastructure upgrades***

The Compass Card project is progressing with approximately 85,000 cards distributed to TransLink Employees, BC Bus Pass customers and CNIB clients. Collectively 14 million "taps" have accumulated to date. To ensure a successful transition for our customers and keeping with best practices, the rollout to customers will continue in phases. Public outreach and training continues, with numerous special interest groups receiving presentations.

As part of the Expo Line Upgrade Strategy, significant upgrades have been made to stations along the line. Notably, in the first quarter, major progress was made on the Main Street-Science World Station upgrade. Work on the east stationhouse was completed and was open to the public in May. To accommodate work at the station, TransLink began operation of the *Train2Main* on March 30, which is scheduled to continue to operate through to the fall. The entire station upgrade is on schedule to be substantially complete by the first quarter 2015.

Financial

Objective: ***Manage within our financial framework***

TransLink continues to focus on cost-saving efforts and exploring new revenue opportunities. TransLink is generating additional revenue through the Adjacent and Integrated Developments (AID) Program, which supports developers and municipalities in creating transit-oriented communities proximate to TransLink's infrastructure. The resulting real estate development projects enable TransLink to realize revenues and benefit from infrastructure upgrades by partnering with private industry. Currently, there are over 30 AID projects underway and over 10 more planned.

Stakeholder accountability

Objective: ***Increase stakeholder confidence in TransLink's ability to efficiently deliver and manage the regional transportation system***

Through the first quarter of 2014, TransLink provided financial, technical, and planning expertise to support the work of the Mayors' Council in developing a long-term vision for regional transportation for Metro Vancouver. On June 12, 2014, the Mayors' Council voted 90 per cent to approve their Vision.

Employee success

Objective: ***Actively engage employees to plan, build and operate a sustainable transportation network***

TransLink continues to enhance employee and leadership development programs to enable employees across the enterprise to be resilient in uncertain times while continuing to deliver excellent customer service. In 2014, TransLink is establishing a baseline for measuring employee engagement (exempt and unionize) across the organization. Previous to 2014, unionized employee engagement was not measured.

Internal effectiveness

Objective: ***Improve efficiency and utilization of our resources***

TransLink is expanding the use of taxis to create more HandyDART rides for customers with disabilities in 2014. This shift toward taxis is taking place following a successful taxi pilot program in 2013, which showed that the use of taxis helps meet our customers' travel needs and our commitment to financial responsibility. Additional funding for the use of taxis will allow for 30,000 additional HandyDART trips in 2014.

2. Financial and Operating Summary with Update on Efficiencies

Financial Indicators

FINANCIAL INDICATORS As of March 31, 2014 ($ thousands)	YTD 2013 ACTUAL	YTD 2014 ACTUAL	Year-over-Year Change	Year-over-Year %	YTD 2014 BUDGET	Budget Variance Fav/ (Unfav)	Budget Variance %	Annual 2014 BUDGET
Revenues	349,001	359,932	10,931	3.1%	358,609	1,323	0.4%	1,454,669
Expenses	336,819	344,022	7,203	2.1%	366,919	22,897	6.2%	1,506,568
Excess of revenue & expenses before funding adjustments	12,182	15,910	3,727	30.6%	(8,310)	24,220	(291.4%)	(51,899)
Cumulative Funded Surplus [1]	298,700	350,716	52,015	17.4%	338,206	12,509	3.7%	301,544
Capital Assets	4,413,430	4,464,525	51,095	1.2%	-	-	-	4,843,806
Net debt [2]	1,903,900	1,905,414	(1,514)	(0.1%)	-	-	-	2,197,641
Deferred concessionaire credits and GEB contractor liability [3]	1,672,326	1,661,295	11,031	0.7%	-	-	-	1,646,916
Total net debt [4]	3,576,226	3,566,708	9,518	0.3%	-	-	-	3,844,557
Gross interest cost as a % of operating revenue [5]	14.3%	13.8%	(0.5%)	(3.5%)	-	-	-	14.4%

[1] The funded surplus as calculated under the SCBCTA Act represents the amount of resources available to fund future operations.

[2] Includes bonds, debentures, capital leases, short-term debt net of sinking funds and debt reserve deposits

[3] Includes deferred concessionaire credits and GEB contractor liability.

[4] Net debt + deferred concessionaire credits and GEB contractor liability

[5] Operating revenue includes fares, taxation, and GEB toll revenue

Excess of revenues over expenses for the first quarter was $15.9 million, $3.7 million better than 2013 and $24.2 million better than budget.

Year-to-date revenues were $10.9 million (3.1 per cent) higher than last year which was driven from increased fuel tax revenue. Compared to budget, revenues are $1.3 million (0.4 per cent) favourable which was also driven by higher fuel tax. Transit fare revenue is lower than what was budgeted due to slightly lower ridership.

Expenditures were $7.2 million (2.1 per cent) higher than last year mainly due to economic increases and some timing of expenditures. Compared to budget expenditures were $22.9 million (6.2 per cent) favourable. Most of this is due to timing of contributions to municipalities for the road network as well as TransLink's projects such as Compass.

Operating Indicators

OPERATING INDICATORS As of March 31, 2014 ($ thousands)	YTD 2013 ACTUAL	YTD 2014 ACTUAL	Year-over-Year Change	Year-over-Year %	YTD 2014 BUDGET	Budget Variance Fav/ (Unfav)	Budget Variance %	Annual 2014 BUDGET
Scheduled Transit Service								
Overall Performance Rating (out of 10)	7.7	7.6	(0.1)	(1.3%)	7.6	-	-	7.6
Service hours	1,533	1,545	12	0.8%	1,543	2	0.1%	6,248
Operating cost recovery	54.7%	53.1%	(1.6%)	(2.9%)	54.4%	(1.3%)	(2.4%)	54.0%
Operating cost per service hour	$ 142.30	$ 144.80	$ 2.50	1.8%	$ 148.83	$ 4.03	2.7%	$ 152.98
Complaints per 1 million boarded passengers	86.5	84.9	(1.6)	(1.8%)	75.9	(9.0)	(11.9%)	76.6
Operating cost per capacity kilometre	$ 0.084	$ 0.087	$ 0.003	3.6%	$ 0.089	$ 0.002	2.2%	$ 0.092
Golden Ears Bridge								
Crossings	2,520	2,643	123	4.9%	2,583	(60)	(2.3%)	11,500
Average toll per crossing	$ 3.50	$ 3.60	$ 0.10	2.9%	$ 3.43	$ (0.17)	(5.0%)	$ 3.45

Scheduled Transit Service (Conventional)

First quarter service hours are slightly higher year over year, reflecting one additional weekday service day in 2014.

Operating cost recovery is slightly lower year over year and to budget as transit fare revenue is growing slower than operating costs.

Operating cost per service hour is higher year over year due to increases in labour, fuel and maintenance repair costs. The favourable variance to budget is the result of savings realized from vacant positions and timing of expenditures, which will occur later in the year.

Complaints per million boardings were down; service-related complaints were up while operator related complaints were down.

Access Transit

Following the success of the 2013 Taxi Pilot Project, TransLink has committed $1 million in 2014 to provide additional taxi rides for HandyDART customers. Some of this additional funding will support safety and service training and initiatives to ensure customers experience the same high level of service regardless of the type of vehicle they're travelling in. It is estimated that this program will be able to provide an additional 30,000 trips by taxi. TransLink is also reviewing its trip cancellation policy. The additional taxi trips and closer monitoring of trip cancellations will enable the HandyDART service to help more people with disabilities get where they need to go and significantly reduce trip denials.

3. Consolidated Statement of Operations Analysis

Consolidated Revenues

CONSOLIDATED REVENUES As of March 31, 2014 ($ thousands)	YTD 2013 ACTUAL	YTD 2014 ACTUAL	Year-over-Year Change	 %	YTD 2014 BUDGET	Budget Variance Fav/ (Unfav)	 %	Annual 2014 BUDGET
Taxation	180,237	189,145	8,908	4.9%	183,855	5,290	2.9%	736,396
Transit	119,544	119,253	(291)	(0.2%)	125,291	(6,038)	(4.8%)	518,001
Transfers from Government	20,535	22,192	1,657	8.1%	21,983	208	0.9%	88,147
Golden Ears Bridge tolls	8,813	9,513	700	7.9%	8,860	653	7.4%	39,648
Interest Income	8,219	8,731	512	6.2%	8,758	(27)	(0.3%)	34,231
Amortization of Deferred Concessionaire Credit	5,738	5,739	1	0.0%	5,739	(0)	(0.0%)	23,337
Emissions Testing	5,048	4,157	(891)	(17.6%)	3,635	523	14.4%	12,846
Miscellaneous	970	1,112	142	14.6%	488	623	127.6%	2,063
Revenue Before Gain/(Loss) on Disposal of Assets	349,103	359,841	10,738	3.1%	358,609	1,232	0.3%	1,454,669
Gain on Disposal	(102)	91	193	189.1%	-	91	0.0%	-
PSAB Total	**349,001**	**359,932**	**10,931**	**3.1%**	**358,609**	**1,323**	**0.4%**	**1,454,669**
Funding Adjustments:								
Transfers from Governments	(16,717)	(17,286)	(569)	(3.4%)	(17,244)	(43)	(0.2%)	(68,847)
Interest Income	(7,068)	(7,554)	(486)	(6.9%)	(7,527)	(27)	(0.4%)	(30,108)
Amortization of deferred Concessionaire Credit	(5,739)	(5,739)	-	0.0%	(5,739)	-	0.0%	(23,337)
Emissions Testing	(5,048)	(4,157)	891	17.6%	(3,635)	(523)	(14.4%)	(12,846)
Funded Total	314,429	325,195	10,766	3.4%	324,465	730	0.2%	1,319,531

Overview

First quarter revenues were $10.9 million (3.1 per cent) higher year over year, mainly due to fuel tax revenue. Compared to budget, first quarter revenues were $1.3 million (0.4 per cent) favourable. The slightly favourable result was due to higher than expected fuel tax offset by lower than expected fare revenue.

Taxation

TAXATION REVENUES As of March 31, 2014 ($ thousands)	YTD 2013 ACTUAL	YTD 2014 ACTUAL	Year-over-Year Change	 %	YTD 2014 BUDGET	Budget Variance Fav/ (Unfav)	 %	Annual 2014 BUDGET
Fuel	76,575	89,346	12,771	16.7%	84,440	4,905	5.8%	337,761
Property & Replacement	85,764	80,737	(5,028)	(5.9%)	80,737	0	0.0%	322,946
Parking Rights	13,274	14,298	1,024	7.7%	13,832	467	3.4%	56,019
Hydro Levy	4,624	4,764	141	3.0%	4,847	(83)	(1.7%)	19,670
Total Taxation	180,237	189,145	8,908	4.9%	183,855	5,290	2.9%	736,396

As permitted by the *South Coast British Columbia Transportation Authority (SCBCTA) Act,* TransLink raises funds by means of taxation.

Year over Year

Fuel tax revenues have increased by $12.8 million (16.7 per cent) over 2013. Total net volumes reported by the Consumer Taxation Branch (CTB), in TransLink's region, increased by 13.8 per cent compared to the prior year. The increase is largely attributable to higher commercial diesel sales. Gasoline sales, as reported by CTB and reported retail sales volumes, show a year-over-year increase of 5.1 per cent and 1.5 per cent, respectively. This difference indicates a future adjustment by CTB is expected which highlights the volatility in this revenue source. The weakening of the Canadian dollar, which reduces fuel leakage through cross-border fuel purchases, is a likely contributor to the increase year over year.

Property tax and replacement tax revenues decreased by $5.0 million (6.2 per cent) over 2013 due to additional revenues accrued in the first quarter of 2013, relating to the time-limited property tax increase. The removal of this tax increase was approved by the Mayors' Council in the second quarter of 2013, resulting in a reversing entry of approximately $7.0 million in the second quarter last year.

Parking rights tax revenues for the first quarter were $1.0 million (7.7 per cent) higher than the prior year. This was due to an increase in the value remitted by vendors. The increase may be the result of the change from HST to PST, as not all parking vendors decreased their "all inclusive" parking rates with the decrease in tax.

Actual vs. Budget

Fuel tax revenues for the first quarter of 2014 were $4.9 million (5.8 per cent) higher than budget. The weakening of the Canadian dollar likely reduced fuel purchase leakage to the US. This, along with the continued strength in wholesale diesel sales, contributed to a positive impact on fuel sales compared to budget.

Transit Revenues

TRANSIT REVENUES As of March 31, 2014 ($ thousands)	YTD 2013 ACTUAL	YTD 2014 ACTUAL	Year-over-Year Change	 %	YTD 2014 BUDGET	Budget Variance Fav/ (Unfav)	 %	Annual 2014 BUDGET
Farebox	24,732	24,314	(419)	(1.7%)	15,702	8,611	54.8%	72,352
Prepaid Fares	67,404	65,150	(2,254)	(3.3%)	78,416	(13,266)	(16.9%)	326,010
Prepaid Contract	24,033	26,081	2,048	8.5%	27,438	(1,357)	(4.9%)	104,795
Total Fares	116,170	115,545	(625)	(0.5%)	121,556	(6,012)	(4.9%)	503,157
Other	3,374	3,262	(112)	(3.3%)	3,334	(72)	(2.1%)	13,241
Park and Ride	-	446	446	0.0%	401	45	11.3%	1,604
Total Transit	**119,544**	**119,253**	**(291)**	**(0.2%)**	**125,291**	**(6,038)**	**(4.8%)**	**518,001**

Year over Year

First quarter transit fares decreased by $0.6 million (0.5 per cent) compared to 2013. Farebox and prepaid fare revenues combined decreased by $2.7 million (2.9 per cent); ridership estimates indicate that ridership has decreased 2.9 per cent from the prior year. Prepaid contracts increased $2.0 million over 2013 due to a higher U-Pass BC fee coming into effect in mid-2013; the number of U-Passes issued is on par with the number issued in the prior year.

Actual vs. Budget

Transit fares were $6.0 million (4.9 per cent) below budget. Farebox and prepaid fare revenues combined was $4.7 million (5.0 per cent) below budget which was driven by lower ridership than what had been assumed in the budget. Prepaid contracts were down compared to budget due to a $1.1 million adjustment relating to the prior period.

Golden Ears Bridge Tolls

Year over Year

Toll revenues increased by $0.7 million (7.9 per cent) over 2013 mainly due to 123,000 (4.9 per cent) more crossings and more "pay as you go" customers.

Actual vs. Budget

Toll revenues were $0.7 million (7.4 percent) favourable to budget. A higher percentage of "pay-as-you-go" traffic than expected led to a higher average toll rate. There was also approximately 60,000 (2.3 per cent) more crossings than expected.

Interest Income

Year over Year

Interest income was $0.5 million (6.2 per cent) higher than the prior year period mainly due to higher sinking fund investment balances.

Funding Adjustments

Funding adjustments are the changes required to the income statement to calculate the cumulative funded surplus under the SCBCTA Act. The cumulative funded surplus is defined as the amount of resources available to fund future operations.

Expenses by Segment

CONSOLIDATED EXPENSES BY SEGMENT As of March 31, 2014 ($ thousands)	YTD 2013 ACTUAL	YTD 2014 ACTUAL	YTD Year-over-Year Change	 %	YTD 2014 BUDGET	YTD Budget Variance Fav/(Unfav)	 %	Annual 2014 BUDGET
AirCare	4,039	3,970	(69)	(1.7%)	4,059	89	2.2%	16,859
Bus Division	154,572	157,228	2,656	1.7%	158,168	941	0.6%	641,133
Corporate	12,956	15,750	2,794	21.6%	20,342	4,592	22.6%	101,347
Rail Division	59,660	61,829	2,168	3.6%	62,433	605	1.0%	256,299
Roads & Bridges	12,712	14,164	1,452	11.4%	27,399	13,235	48.3%	110,285
Transit Police	6,777	7,548	770	11.4%	7,901	353	4.5%	32,201
Amortization of Capital Assets*	41,864	39,513	(2,351)	(5.6%)	41,274	1,761	4.3%	165,830
Interest*	44,240	44,021	(218)	(0.5%)	45,341	1,320	2.9%	182,614
PSAB Total	336,819	344,022	7,203	2.1%	366,919	22,897	6.2%	1,506,568
Funding Adjustments:								
AirCare	(4,039)	(3,970)	69	1.7%	(4,059)	(89)	(2.2%)	(16,859)
Corporate	(22)	(17)	5	25.0%	0	17	0.0%	(101)
Roads & Bridges	(2,957)	(4,297)	(1,341)	(45.3%)	(16,314)	(12,017)	(73.7%)	(64,603)
Amortization of Capital Assets	(39,725)	(37,937)	1,787	4.5%	(38,212)	(275)	(0.7%)	(152,848)
Interest	(16,725)	(16,831)	(106)	(0.6%)	(17,016)	(185)	(1.1%)	(68,258)
Debt Repayment	23,553	22,848	(705)	(3.0%)	23,670	822	3.5%	94,871
GEB Capital Payments	13,617	13,756	139	1.0%	13,972	216	1.5%	61,918
In-house Insurance (TPCC)	-	(393)	(393)	0.0%	-	393	0.0%	-
Funded Total	310,522	317,180	6,658	2.1%	328,959	11,779	3.6%	1,360,688

* Shown as a separate line to help facilitate analysis, as PSAB statements allocate these amounts to the various segments

Year over Year

Expenses for the first quarter were $7.2 million (2.1 per cent) higher than the prior year. The main expense drivers were contractual and economic labour increases, Compass Card marketing, and timing of Major Road Network (MRN) contributions.

Bus division expenses were $2.7 million (1.7 per cent) higher year over year. Savings from cost efficiency initiatives implemented in late 2013 partially offset labour and other contractual and economic increases and higher fuel costs. Maintenance materials were higher in 2014 with increased major repairs and slightly higher service kilometres in the first quarter of 2014. Service levels are higher in Q1 2014 due to the impact of the King George B-Line service added in September 2013.

Rail division operating expenses were $2.2 million (3.6 per cent) higher than 2013 due to additional state of good repair costs, additional crewing costs for West Coast Express, increased staffing levels for maintenance activity, contractual and inflationary increases for Canada Line, West Coast Express rail car leases, and higher diesel and hydro costs.

Corporate expenses were $2.8 million (21.6 per cent) higher than the prior year mainly due to labour increases (length of service and economic increase), and marketing costs related to Compass Card.

Roads and bridges expenses were $1.5 million (11.4 per cent) higher mainly due to the timing of MRN contributions to municipalities. Note, year-over-year change and actual to budget variance in Roads and Bridges expense is common as TransLink's contributions to the municipalities are contingent on the

municipalities' project spending. Since the municipalities govern when project work is done and have a four-year period in which to complete their projects, their project spending, and subsequent TransLink contributions, fluctuate year-to-year.

Transit Police expenses were up $0.8 million over the prior year mainly due to the timing of some expenses and filling staff vacancies.

Amortization expense decreased by $2.4 million (5.6 per cent) mainly due to the accelerated amortization of ticket vending machines in 2013.

Actual vs. Budget

A favourable variance of $22.9 million (6.2 per cent) was mainly due to the timing of MRN contributions and corporate costs related to the timing of Compass.

Bus division expenses were $0.9 million (0.6 per cent) favourable to budget primarily due to the timing of planned activities. Labour costs were slightly unfavourable due to higher than planned overtime and contract increases. These increases were largely offset by savings from the management of staffing levels and temporary position vacancies.

Corporate expenses were $4.6 million (22.6 per cent) below budget. The main drivers related to the timing of Compass Card implementation and the timing of feasibility studies. There were also savings from vacancies; there was an average of 36 vacant positions in the quarter.

Rail division was close to budget with expenses being $0.6 million (1.0 percent) lower due to vacant positions, unbudgeted cost recoveries, lower than expected inflationary increase in contractual Canada Line payments and the timing of Compass Card implementation. These were somewhat offset by additional overtime, increased crewing on West Coast Express and higher escalator repairs and costs.

Roads and bridges was $13.2 million (48.3 per cent) below budget due to the timing of MRN contributions to municipalities.

Amortization of capital assets was $1.8 million (4.3 per cent) below budget due to delays in project completions resulting in delays in capitalizing these projects.

Interest expense was $1.3 million (2.9 per cent) below budget due to lower than expected bond issuance in 2013.

Expenses by Category

CONSOLIDATED EXPENSES BY CATEGORY As of March 31, 2014 ($ thousands)	YTD 2013 ACTUAL	YTD 2014 ACTUAL	YTD Year-over-Year Change	 %	YTD 2014 BUDGET	YTD Budget Variance Fav/(Unfav)	 %	Annual 2014 BUDGET
Administration	5,880	8,005	2,125	36.1%	9,149	1,144	12.5%	37,678
AirCare	4,039	3,970	(69)	(1.7%)	4,059	89	2.2%	16,859
Amortization of Capital Assets	41,864	39,511	(2,353)	(5.6%)	41,274	1,763	4.3%	165,830
Capital Infrastructure contributions	2,957	4,297	1,341	45.3%	16,314	12,017	73.7%	64,603
Contracted Services	46,964	47,093	129	0.3%	48,197	1,104	2.3%	203,294
Fuel and Power	17,362	17,752	390	2.2%	17,879	126	0.7%	73,347
Insurance	4,177	5,160	983	23.5%	5,211	50	1.0%	21,324
Interest	44,240	44,021	(218)	(0.5%)	45,341	1,320	2.9%	182,614
Maintenance, Materials and Utilities	24,418	27,219	2,801	11.5%	27,795	576	2.1%	114,872
Professional and Legal	2,271	2,344	73	3.2%	5,632	3,289	58.4%	22,854
Rentals, Leases and Property Tax	10,728	10,688	(40)	(0.4%)	9,988	(700)	(7.0%)	40,432
Salaries, Wages and Benefits	131,315	133,962	2,647	2.0%	136,080	2,118	1.6%	562,860
Provision for Asset Valuation	605	-	(605)	(100.0%)	-	-	0.0%	-
PSAB Total	**336,819**	**344,022**	7,203	2.1%	**366,919**	**22,897**	6.2%	**1,506,568**
Funding Adjustments:								
AirCare	(4,039)	(3,970)	69	1.7%	(4,059)	(89)	(2.2%)	(16,859)
Amortization of Capital Assets	(39,725)	(37,937)	1,787	4.5%	(38,212)	(275)	(0.7%)	(152,848)
Gov. Funding Admin/Non-capitalizable projects	(22)	(17)	5	25.0%	0	17	0.0%	(101)
Interest	(16,725)	(16,831)	(106)	(0.6%)	(17,016)	(185)	(1.1%)	(68,258)
GEB Capital Payments	13,617	13,756	139	1.0%	13,972	216	1.5%	61,918
MRN Capital Funding	(2,957)	(4,297)	(1,341)	(45.3%)	(16,314)	(12,017)	(73.7%)	(64,603)
Principle Repayments	18,756	17,401	(1,355)	(7.2%)	17,193	(208)	(1.2%)	67,283
Debt Repayment Reserves	4,797	5,447	650	13.6%	6,477	1,030	15.9%	27,588
In-house Insurance (TPCC)	-	(393)	(393)	0.0%	-	393	0.0%	-
Funded Total	**310,522**	**317,180**	6,658	2.1%	**328,959**	**11,779**	3.6%	**1,360,688**

Year over Year

First quarter administration expenses increased $2.1 million (36.1 per cent) year over year mainly due to marketing, fare media and training for the Compass Card project.

Amortization expense decreased by $2.4 million (5.6 per cent) compared to the prior year mainly due to the accelerated amortization of ticket vending machines in 2013.

Capital infrastructure expenses were $1.3 million (45.3 per cent) higher due to the timing of when municipalities schedule the work.

Maintenance, materials and utilities increased $2.8 million (11.5 per cent) over 2013. This was the result of an increase in planned major repairs within the bus division as part of "state of good repair" and slightly higher service kilometres. In addition, increased "state of good repair" expenses were incurred within the rail division. In West Coast Express there were increased expenses due to the new crewing mobilization, related to the switch to Bombardier train operations, and annual contractual increases in rail car lease payments.

Salaries, wages and benefits were higher than 2013 due to economic and contract increases.

Actual vs. Budget

Administration expenses were $1.1 million (12.5 per cent) under budget due to lower marketing expenses related to the timing of Compass Card implementation.

Amortization expense was $1.8 million (4.3 per cent) favourable to budget due to the timing of project capitalizations.

The largest variance to budget was in the capital infrastructure contributions category, which was $12 million (73.7 per cent) below budget. This favourable variance was due to the timing of scheduled work in municipalities.

Professional and legal expenses were $3.3 million (58.4 per cent) lower than budget mainly due to the timing of Compass Card and feasibility studies.

Rentals, leases and property taxes were $0.7 million (7.0 per cent) unfavourable to budget due to the delay in subleasing Gateway offices.

Salaries, wages and benefits are favourable to budget by $2.1 million mainly due to vacant positions.

Capital Projects

CAPITAL PROJECTS As at March 31, 2014 ($ thousands)	Number of Projects	Budget A Current	Forecasts/Variances 2014 Actuals and Forecasts	 B Final Forecast Total	 A - B Variance to Current Budget	Senior Government Funding (Committed)
Total of all Active Projects (including Substantially Complete) and Approved in Principle (AiP) Projects as at Jan 01 2014	**213**	**$ 2,232,638**	**$ 472,105**	**$ 2,209,960**	**$ 22,678**	**$ 848,796**
Add: Adhoc Projects	1	850	840	850	-	-
Less: Projects Closed during 2014	(6)	(17,140)	(159)	(16,596)	(544)	-
Budget Changes	(1)	(24,637)	(27,119)	(26,188)	1,551	-
AiP Projects Cancelled in 2014	(10)	(8,230)	(5,610)	(8,230)	-	
Substantially Complete	(49)	(845,250)	(12,394)	(830,665)	(14,585)	(327,734)
Actual Costs and Forecast Changes			(23,141)	(3,854)	3,854	
Total Capital Program (excl Substantially Complete)	**148**	**$ 1,338,231**	**$ 404,522**	**$ 1,325,277**	**$ 12,954**	**$ 521,062**
Active Projects (excl Substantially Complete) 1:	79	1,079,427	327,368	1,066,473	12,954	371,368
AiP Projects as at March 31, 2014 2:	69	258,804	77,154	258,804	-	149,694
Total Capital Program (excl Substantially Complete) 1+2:	**148**	**$ 1,338,231**	**$ 404,522**	**$ 1,325,277**	**$ 12,954**	**$ 521,062**

Closed Projects

A total of six projects with an aggregate cost of $16.6 million and an aggregate budget of $17.1 million were completed and closed up to March 31, 2014. These projects had a total favourable variance of $0.5 million. TransLink regularly monitors the budgeted contingencies to ensure levels are appropriate. Of the projects closed in 2014, contingency made up 5.4 per cent of the total budget and 4.4 per cent was utilized.

Cancelled Projects

A total of ten Approved in Principle (AiP) projects, with a total approved budget of $8.2 million, were cancelled from the 2014 program. A majority of these projects were reviewed, prioritized, and cancelled to proactively manage the capital budget and resource capacity within the organization.

Substantially Complete Projects

As at March 31, 2014, a total of 49 projects, with a total cost of $831 million, and a related current budget of $845 million, were deemed substantially complete and in the final stages of project activity, with approximately $9.6 million remaining to be spent. The total expected favourable variance for these projects is $15 million or 1.7 per cent.

Active Projects

ACTIVE CAPITAL PROJECTS (excl. substantially complete) As at March 31, 2014 ($ thousands)	Number of Projects	Budget A Current	Forecasts/Variances 2014 Actuals and Forecasts	 B Final Forecast Total	 A - B Variance to Current Budget	Senior Government Funding (Committed)
Equipment	16	$ 15,706	$ 7,676	$ 13,654	$ 2,052	$ -
Facilities	14	150,671	64,472	149,418	1,253	82,236
Infrastructure	24	341,072	90,101	337,152	3,920	161,261
Major Construction	1	402,841	89,317	402,748	93	-
Technology Applications	14	24,992	8,614	22,563	2,429	-
Vehicle - Non Revenue	2	599	464	530	69	-
Vehicle - Revenue	8	143,546	66,724	140,408	3,138	127,871
Grand Total	**79**	**$ 1,079,427**	**$ 327,368**	**$ 1,066,473**	**$ 12,954**	**$ 371,368**

As of March 31, 2014 there were 79 active projects with a current budget of $1.1 billion. The forecasted active project variance of $13 million or 1.2 per cent was primarily made up of the following projects:

Infrastructure: variance of $3.9 million or 1.1 per cent of the related current budget

The major components of this variance is the Expo Line Propulsion Power Upgrade Project (0910) being under budget by $4.0 million due to unused contingency.

Technology applications: variance of $2.4 million or 9.7 per cent of the related current budget

The major components of this variance is the SkyTrain Public Announcement System Project (0527) being under budget by $0.9 million due to unused contingency.

Vehicle revenue: variance of $3.1 million or 2.2 per cent of the related current budget

The major components of this variance are:

- The Second Replacement SeaBus Project (0923) being under budget by $2.2 million due to savings in contract award.
- The 2013 HandyDart Fleet Replacement Project (122140) being under budget by $0.7 million due to savings in contract award.

Approval in Principle Projects

As at March 31, 2014, there were 69 projects that had not yet started, with a total AiP budget of $259 million. The largest projects are listed below:

- Metrotown Station and Exchange Upgrade Construction, with a budget of $35 million
- Commercial-Broadway SkyTrain Station Phase 2 Upgrade Construction, with a budget of $32 million
- New Westminster SkyTrain Station Upgrade, with a budget of $9.0 million.

The remaining projects include the following:

- TransLink road and bridge, property acquisition, SkyTrain station upgrade design, bike infrastructure and IT replacement/enhancement projects, totalling $56 million;
- Rail company's linear induction motor rail replacement, elevator/escalator replacement, SkyBridge improvements and infrastructure state of good repair replacements, totalling $24 million
- Bus company's facilities and infrastructure improvements ($26.2 million), fleet replacements ($71.8 million) and other miscellaneous projects ($4.8 million).

Changes in Financial Position

CHANGES IN FINANCIAL POSITION as at March 31, 2014 ($ thousands)	March 31 2014	December 31 2013	Change	%
FINANCIAL ASSETS				
Cash	$ 171,332	$ 247,758	$ (76,426)	-30.8%
Accounts receivable	188,285	97,103	91,182	93.9%
Restricted cash and investments	415,044	420,681	(5,637)	-1.3%
Investments	103,249	83,787	19,462	23.2%
Assets held for sale	14,164	14,164	-	0.0%
Debt reserve deposits	39,971	39,677	294	0.7%
LIABILITIES				
Accounts payable and accrued liabilities	252,402	235,987	16,415	7.0%
Debt	2,037,035	2,043,949	(6,914)	-0.3%
Deferred government transfer	1,242,545	1,238,101	4,444	0.4%
Golden Ears Bridge contractor liability	1,048,091	1,045,059	3,032	0.3%
Deferred concessionaire credits	613,203	618,942	(5,739)	-0.9%
Employee future benefits	91,485	89,082	2,403	2.7%
Deferred lease inducements	13,323	12,984	339	2.6%
NON-FINANCIAL ASSETS				
Tangible capital assets	$ 4,449,821	$ 4,451,189	$ (1,368)	0.0%
Supplies inventory	47,276	46,869	407	0.9%
Prepaid expenses	11,291	9,315	1,976	21.2%

Note: Cash, investments and debt are discussed under the *Liquidity and Capital Resources* section.

Financial Assets

Accounts receivable increased $91 million primarily due to the accrual for property tax revenue, which will be paid to TransLink in August, and billings for Building Canada funding.

Restricted cash and investments represent unspent government transfers, self-administered sinking funds and funds set aside to pay off the Municipal Financing Authority (MFA) debt.

Liabilities

Accounts payable and accrued liabilities increased $16 million primarily due to accrued interest, as the majority of the interest is paid in April and October.

Deferred government transfer increased $4.4 million due to government funding received in excess of revenue recognized.

Deferred concession credits represent the funding provided by the Canada Line Concessionaire. This balance is amortized to income on a straight-line basis over the operating term of the concessionaire agreement, which will expire in July 2040.

The Golden Ears Bridge contractor liability increased, as interest expense exceeds the payments in early years. The liability is setup so that principal payments commence during 2015.

Deferred lease inducements primarily represent tenant inducements related to TransLink's new head office. This balance is amortized as a reduction of rental expense over the lease term to 2033.

Non-Financial Assets

Tangible capital assets decreased by $1.4 million primarily as a net result of $38 million in additions less the amortization of $40 million.

Cash Flows and Liquidity

Liquidity declined during the quarter due to an increase of accounts receivables and purchases of capital assets. The following table shows TransLink's unrestricted cash and near cash equivalent investments, including money market funds.

CASH AND NEAR CASH as at March 31, 2014 ($ thousands)	March 31, 2014	Dec 31, 2013	Change
Cash	$171,332	$247,758	($76,426)
Investments – unrestricted (near cash equivalent)	81,139	61,539	19,600
	$252,471	$309,297	($56,826)

TransLink's liquidity position is further supported by a $500 million commercial paper program, of which only $90 million is outstanding.

Debt

TransLink's debt management policy includes self-imposed debt coverage and debt service coverage limits. TransLink continues to remain within these limits.

Maintaining a high-quality credit rating is essential to ensure that TransLink can continue to access capital markets in the most cost-effective basis. The following table summarizes TransLink's current credit ratings and outlooks.

CREDIT RATING as at March 31, 2014 Agency	Commercial Paper	Senior Debt	General Obligation	Outlook
DBRS Limited	R-1 mid	AA	AA	Stable
Moody's Investors Service	Not Rated	Aa2	Aa2	Stable

Schedule 1: Consolidated Financial Statements

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Financial Position
(in thousands of dollars)

March 31, 2014, with comparative information for December 31, 2013

	March 31 2014	December 31 2013
FINANCIAL ASSETS		
Cash	$ 171,332	$ 247,758
Accounts receivable	188,285	97,103
Restricted cash and investments	415,044	420,681
Investments	103,249	83,787
Assets held for sale	14,164	14,164
Debt reserve deposits	39,971	39,677
	932,045	903,170
LIABILITIES		
Accounts payable and accrued liabilities	252,402	235,987
Debt	2,037,035	2,043,949
Deferred government transfer	1,242,545	1,238,101
Golden Ears Bridge contractor liability	1,048,091	1,045,059
Deferred concessionaire credits	613,203	618,942
Employee future benefits	91,485	89,082
Deferred lease inducements	13,323	12,984
	5,298,084	5,284,104
NET DEBT	(4,366,039)	(4,380,934)
NON-FINANCIAL ASSETS		
Tangible capital assets	$ 4,449,821	$ 4,451,189
Supplies inventory	47,276	46,869
Prepaid expenses	11,291	9,315
	4,508,388	4,507,373
Accumulated Surplus	$ 142,349	$ 126,439

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Operations
(in thousands of dollars)

Three months ended March 31, 2014, with comparative information for March 31, 2013

	2014 Budget	2014 Actual	Restated 2013 Actual
Revenue:			
Taxation	$ 183,855	$ 189,145	$ 180,237
Transit	125,291	119,253	119,544
Golden Ears Bridge tollings	8,860	9,513	8,813
Emissions testing	3,635	4,157	5,048
Government transfers	21,983	22,192	20,534
Amortization of deferred concessionaire credit	5,739	5,739	5,738
Interest income	8,758	8,731	8,219
Miscellaneous revenue	488	1,111	970
Gain (loss) on disposal of tangible capital assets	-	91	(102)
	358,609	359,932	349,001
Expenses:			
Aircare	4,059	3,970	4,039
Bus division	194,245	190,152	187,220
Corporate	22,739	18,764	16,548
Rail division	85,398	84,656	85,095
Roads & Bridges	52,570	38,926	37,133
Transit Police	7,907	7,554	6,784
	366,918	344,022	336,819
Surplus (deficit) for the period	(8,309)	15,910	12,182
Accumulated surplus, beginning of period	57,996	126,439	89,674
Accumulated surplus, end of period	$ 49,687	$ 142,349	$ 101,856

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Changes in Net Debt
(in thousands of dollars)

Three months ended March 31, 2014, with comparative information for March 31, 2013

	2014 Actual	2013 Actual Restated
Surplus for the period	$ 15,910	$ 12,182
Acquisition of tangible capital assets	(38,171)	(64,498)
Amortization of tangible capital assets	39,513	41,864
(Gain) loss on disposal of tangible capital assets	(91)	102
Net proceeds (costs) from disposal of capital assets	117	(102)
Write down of tangible capital assets	-	605
	1,368	(22,029)
Change in supplies inventory	(407)	(153)
Change in prepaid expenses	(1,976)	(1,263)
	(2,383)	(1,416)
Decrease (increase) in net debt	14,895	(11,263)
Net debt, beginning of period	(4,380,934)	(4,347,911)
Net debt, end of period	$ (4,366,039)	$ (4,359,174)

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Cash Flows
(in thousands of dollars)

Three months ended March 31, 2014, with comparative information for March 31, 2013

	2014	2013 Restated
Cash provided by (used for):		
Operating Transactions:		
Surplus for the period	$ 15,910	$ 12,182
Non-cash charges to operations	19,587	24,620
Changes in non-cash operating working capital	(74,747)	5,113
Net change in cash from operating transactions	(39,250)	41,915
Capital Transactions:		
Purchase of capital assets	(38,171)	(64,498)
Net proceeds (costs) from disposal of capital assets	117	(102)
Net change in cash from capital transactions	(38,054)	(64,600)
Investing Transactions:		
Decrease in restricted cash and investments	5,637	23,360
Increase in investments	(19,462)	(35,768)
Increase in debt reserve deposits	(294)	(306)
Net change in cash from investing transactions	(14,119)	(12,714)
Financing Transactions:		
Debt proceeds	528	-
Issue costs on financing	(6)	-
Repayments of debt	(7,737)	(7,229)
Government transfers received for capital additions	21,731	38,053
Lease inducements received	481	1,550
Net change in cash from financing transactions	14,997	32,374
Decrease in cash	(76,426)	(3,025)
Cash, beginning of period	247,758	187,093
Cash, end of period	$ 171,332	$184,068

TransLink
Segment Report
Three months ended March 31, 2014
(in thousands of dollars)

	Aircare	Bus division	Corporate	Rail division	Road & Bridge	Transit Police	2014	2013
Revenues:								
Taxation	$ -	$ -	$ 189,145	$ -	$ -	$ -	$ 189,145	$ 180,237
Transit	-	-	119,253	-	-	-	119,253	119,544
Golden Ears Bridge tollings	-	-	-	-	9,513	-	9,513	8,813
Emissions testing	4,157	-	-	-	-	-	4,157	5,048
Government transfers	-	-	22,193	-	(1)	-	22,192	20,534
Amortization of deferred concessionaire credit	-	-	-	5,739	-	-	5,739	5,738
Interest income	-	-	8,731	-	-	-	8,731	8,219
Miscellaneous revenue	-	612	370	86	5	38	1,111	970
Gain (loss) on disposal of tangible capital assets	-	88	3	-	-	-	91	(102)
	4,157	700	339,695	5,825	9,517	38	359,932	349,001
Expenses:								
Administration	64	3,556	2,975	992	31	450	8,068	5,950
Amortization of capital assets	-	19,503	1,786	13,522	4,699	3	39,513	41,864
Capital infrastructure contributions	-	-	-	-	4,297	-	4,297	2,957
Contracted services	3,581	16,082	-	28,117	2,892	-	50,672	50,610
Fuel and power	-	14,519	-	3,234	-	-	17,753	17,362
Insurance	2	3,811	39	1,033	266	11	5,162	4,177
Interest	-	13,421	1,229	9,305	20,064	3	44,022	44,240
Maintenance, materials and utilities	2	13,172	276	7,580	5,987	204	27,221	24,419
Professional & legal	-	405	1,243	159	411	126	2,344	2,271
Rentals, leases and property tax	31	3,100	3,222	3,842	48	476	10,719	10,761
Salaries, wages and benefits	290	102,583	7,994	16,872	231	6,281	134,251	131,603
Write-down of tangible capital assets	-	-	-	-	-	-	-	605
	3,970	190,152	18,764	84,656	38,926	7,554	344,022	336,819
Surplus (deficit) for the year	$ 187	$(189,452)	$ 320,931	$ (78,831)	$ (29,409)	$ (7,516)	$ 15,910	$ 12,182

Schedule 2: Funded Statement of Operations

FUNDED STATEMENT OF OPERATIONS As of March 31, 2014 ($ thousands)	YTD 2013 ACTUAL	YTD 2014 ACTUAL	YTD Year-over-Year Change	 %	YTD 2014 BUDGET	YTD Budget Variance Fav/(Unfav)	 %	Annual 2014 BUDGET
REVENUES								
Transit	119,544	119,253	(291)	-0.2%	125,291	(6,038)	-4.8%	518,001
Golden Ears Bridge tolls	8,813	9,513	700	7.9%	8,860	653	7.4%	39,648
Fuel	76,575	89,346	12,771	16.7%	84,440	4,905	5.8%	337,761
Property and Replacement	85,764	80,737	(5,028)	-5.9%	80,737	-	0.0%	322,946
Hydro Levy	4,624	4,764	141	3.0%	4,847	(83)	-1.7%	19,670
Parking Sales	13,274	14,298	1,024	7.7%	13,832	467	3.4%	56,019
Total Taxation	180,237	189,145	8,908	4.9%	183,855	5,290	2.9%	736,396
Interest Income	1,151	1,177	27	2.3%	1,231	(54)	-4.4%	4,123
Operating Contribution	3,818	4,905	1,088	28.5%	4,740	166	3.5%	19,300
Miscellaneous	970	1,112	142	14.6%	488	623	127.6%	2,063
Gain on Disposal	(102)	91	193	189.1%	-	91	0.0%	-
Total Revenues	**314,429**	**325,195**	**10,766**	**3.4%**	**324,465**	**730**	**0.2%**	**1,319,531**
EXPENSES								
Major Road Network Operations	5,890	6,009	119	2.0%	6,918	909	13.1%	28,529
Golden Ears Bridge Operations	3,079	3,234	155	5.0%	3,122	(112)	-3.6%	12,709
Admin	786	623	(162)	-20.7%	1,046	422	40.4%	4,444
Total Roads & Bridges	**9,755**	**9,867**	**112**	**1.1%**	**11,085**	**1,219**	**11.0%**	**45,682**
Coast Mountain Bus Company	137,395	139,939	2,545	1.9%	140,992	1,052	0.7%	570,208
Access Transit	12,541	12,236	(305)	-2.4%	12,465	230	1.8%	50,507
Other Contractors	4,636	4,659	23	0.5%	4,711	52	1.1%	20,418
Total Bus Division	**154,572**	**156,834**	**2,262**	**1.5%**	**158,168**	**1,334**	**0.8%**	**641,133**
Expo & Millennium Lines	25,493	26,940	1,447	5.7%	27,260	320	1.2%	112,650
West Coast Express	7,606	8,666	1,060	13.9%	8,416	(250)	-3.0%	34,814
Canada Line	26,562	26,224	(337)	-1.3%	26,758	534	2.0%	108,834
Total Rail Division	**59,660**	**61,830**	**2,170**	**3.6%**	**62,433**	**604**	**1.0%**	**256,299**
Total Transit	**214,231**	**218,664**	**4,432**	**2.1%**	**220,602**	**1,938**	**0.9%**	**897,431**
Board, Mayors' Council, Commissioner	448	401	(47)	-10.5%	418	17	4.0%	1,639
Divisions	11,560	13,046	1,487	12.9%	14,677	1,631	11.1%	68,028
Studies and Other One-time Projects	926	2,287	1,361	146.8%	5,247	2,960	56.4%	18,079
Translink	**12,934**	**15,734**	**2,800**	**21.7%**	**20,342**	**4,608**	**22.7%**	**87,746**
Transit Police	**6,777**	**7,548**	**770**	**11.4%**	**7,901**	**353**	**4.5%**	**32,201**
Provision for Contingencies and Reinvestment	-	-	-	0.0%	-	-	0.0%	13,500
Interest Expense	27,515	27,191	(324)	-1.2%	28,326	1,135	4.0%	114,356
Amortization	2,139	1,573	(566)	-26.5%	3,062	1,488	48.6%	12,982
Debt Repayments	23,553	22,848	(705)	-3.0%	23,670	822	3.5%	94,871
GEB Capital Payments	13,617	13,756	139	1.0%	13,972	216	1.5%	61,918
Total Debt Services	**66,824**	**65,367**	**(1,457)**	**-2.2%**	**69,029**	**3,662**	**5.3%**	**284,127**
Total Expenses	**310,522**	**317,180**	**6,658**	**2.1%**	**328,959**	**11,779**	**3.6%**	**1,360,688**
Funded Surplus/(Deficit)	**3,907**	**8,015**	**4,108**	**105.1%**	**(4,494)**	**12,509**	**278.4%**	**(41,156)**
Cumulative Funded Surplus								
Opening Balance *	294,793	342,700	47,907	16.3%	342,700	0	0.0%	342,700
Surplus/(Deficit) YTD	3,907	8,015	4,108	105.1%	(4,494)	12,509	278.4%	(41,156)
Closing Balance	**298,700**	**350,716**	**52,015**	**17.4%**	**338,206**	**12,509**	**3.7%**	**301,544**

* Opening balance for 2014 budget reflects final 2013 year-end actuals.

Appendix 1: Bus Operations

BUS DIVISION	YTD Q1 2013 Actual	YTD Q1 2014 Actual	Fav./(Unfav.) Year over Year	YTD Q1 2014 Budget	Fav./(Unfav.) Actual vs. Target
CONVENTIONAL TRANSIT (BUS)					
Customer					
Overall performance rating out of 10	7.8	7.8	-	7.6	0.2
Complaints per 1 m boarded passengers	111.1	107.2	3.9	108.3	1.1
Preventable collisions per million kms.	7.1	1.3	5.8	8.9	7.6
Passenger injuries per 1 million boarded passengers	3.2	2.9	0.3	3.0	0.1
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.5	8.5	-	8.5	-
Delivered service hours/scheduled	99.53%	99.57%	0.04%	99.50%	0.07%
Internal Effectiveness					
Operating cost per passenger km.	$0.389	$0.418	$(0.029)	$0.371	$(0.047)
Operating cost (excluding energy) per passenger km.	$0.348	$0.367	$(0.019)	$0.330	$(0.037)
Operating Cost per capacity kilometre	$0.119	$0.122	$(0.003)	$0.119	$(0.003)
Boardings per service hour	48.90	45.80	(3.10)	51.80	(6.00)
Utilization (Passenger Kms./Capacity Kms.)	30.6%	29.1%	(1.5%)	32.0%	(2.9%)
Mean distance between vehicle failures	24,723	23,410	(1,313)	29,667	(6,257)
People					
Lost time frequency (per 200,000 hours worked)	7.64	8.05	(0.41)	n/a	n/a
Service Statistics					
Service Hours (thousands)	1,203	1,218	15	1,214	4
Service Kilometres (thousands)	23,893	23,774	(120)	37,179	(13,405)
Boarded Passengers (thousands)	58,816	55,778	(3,038)	62,897	(7,120)
CMBC					
Customer					
Overall performance rating out of 10	7.8	7.8	-	7.6	0.2
Complaints per 1 m boarded passengers	111.5	108.3	3.2	111.8	3.5
Preventable collisions per million kms.	7.1	1.3	5.8	5.2	3.9
Passenger injuries per 1 million boarded passengers	3.3	3.1	0.2	3.0	(0.0)
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.5	8.5	-	8.5	-
Delivered service hours/scheduled	99.5%	99.6%	0.05%	99.5%	0.1%
Internal Effectiveness					
Operating cost per passenger km.	$0.391	$0.420	$(0.029)	$0.372	$(0.048)
Operating cost (excluding energy) per passenger km.	$0.350	$0.369	$(0.019)	$0.332	$(0.037)
Operating Cost per capacity kilometre	$0.120	$0.123	$(0.003)	$0.132	$0.009
Boardings per service hour	49.50	46.40	(3.10)	52.50	(6.10)
Utilization (Passenger Kms./Capacity Kms.)	30.6%	29.2%	(1.4%)	32.1%	(2.9%)
Mean distance between vehicle failures	26,931	24,820	(2,111)	29,667	(4,847)
People					
Lost time frequency (per 200,000 hours worked)	7.64	8.05	(0.41)	6.8	1.25
Service Statistics					
Service Hours (thousands)	1,149	1,163	15	1,159	4
Service Kilometres (thousands)	22,685	22,548	(137)	22,904	(357)
Boarded Passengers (thousands)	56,883	53,929	(2,953)	60,891	(6,962)
CONTRACTED SERVICES					
Customer					
Overall performance rating out of 10	8.4	8.4	-	n/a	n/a
Complaints per 1 m boarded passengers	98.8	73.6	25.2	n/a	n/a
Preventable collisions per million kms.	7.4	2.0	5.4	n/a	n/a
Passenger injuries per 1 million boarded passengers	2.59	5.4	(2.8)	2.5	(2.9)
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.9	9.0	0.1	n/a	n/a
Delivered service hours/scheduled	99.89%	99.81%	(0.08%)	100.00%	(0.19%)
Internal Effectiveness					
Operating cost per passenger km.	$0.336	$0.353	$(0.017)	$0.335	$(0.018)
Operating cost (excluding energy) per passenger km.	$0.284	$0.307	$(0.023)	$0.280	$(0.027)
Operating Cost per capacity kilometre	$0.100	$0.099	$0.001	$0.101	$0.002
Boardings per service hour	35.90	34.00	(1.90)	36.90	(2.90)
Utilization (Passenger Kms./Capacity Kms.)	29.8%	28.1%	(1.7%)	30.2%	(2.1%)
Mean distance between vehicle failures	9,747	11,456	1,709	n/a	n/a
Service Statistics					
Service Hours (thousands)	54	54	0	54	0
Service Kilometres (thousands)	1,209	1,226	17	1,222	4
Boarded Passengers (thousands)	1,933	1,848	(85)	2,006	(158)
ACCESS TRANSIT					
Customer					
Overall performance rating out of 10	8.3	8.6	0.3	n/a	n/a
Complaints per 1 m boarded passengers	860.3	929.7	(69.4)	751.5	(178.2)
Preventable collisions per million kms.	12.1	8.5	3.6	n/a	n/a
Passenger injuries per 1 million boarded passengers	29.30	23.24	6.06	20.11	(3.13)
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.8	9.1	0.3	n/a	n/a
Delivered service hours/scheduled	100.00%	100.00%	-	100.00%	-
Internal Effectiveness					
Operating cost per passenger km.	$6.572	$6.541	$0.031	$5.961	$(0.580)
Operating cost (excluding energy) per passenger km.	$6.199	$6.165	$0.034	$5.591	$(0.574)
Boardings per service hour	2.48	2.48	-	2.68	(0.20)
Service Statistics					
Service Hours (thousands)	151	139	(12)	148	(10)
Service Kilometres (thousands)	2,488	2,228	(260)	2,437	(209)
Boarded Passengers (thousands)	375	344	(31)	398	(54)

Appendix 2: Rail Operations

RAIL DIVISION	YTD Q1 2013 Actual	YTD Q1 2014 Actual	Fav./(Unfav.) Year over Year	YTD Q1 2014 Budget	Fav./(Unfav.) Actual vs. Target
TOTAL RAIL					
Customer					
Overall performance rating out of 10	8.4	8.3	(0.1)	8.3	
Complaints per 1 m boarded passengers	13.6	15.7	(2.1)	9.1	(6.6)
On-time performance % (within 2 minutes) Expo/Millenium	96.50%	91.50%	(5.00%)	96.00%	(4.50%)
On-time performance % (within 5 minutes) WCE	97.10%	98.60%	1.50%	97.60%	1.00%
Collisions and derailments per million kms.	-	-	-	-	-
Passenger injuries per 1 million boarded passengers	0.80	1.66	(0.86)	-	-
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.3	8.2	(0.1)	8.3	(0.1)
Internal Effectiveness					
Operating cost per passenger km.	$0.179	$0.189	$(0.010)	$0.169	$(0.020)
Operating cost (excluding energy) per passenger km.	$0.170	$0.180	$(0.010)	$0.160	$(0.020)
Operating Cost per capacity kilometre	$0.040	$0.042	$(0.002)	$0.043	$0.001
Boardings per service hour	87.1	86.6	(0.5)	92.4	(5.8)
Utilization (Passenger Kms./Capacity Kms.)	22.2%	22.5%	0.3%	25.4%	(2.9%)
Mean distance between vehicle failures	659,529	749,186	89,657	656,582	92,604
Overall mystery shopper score	92.9%	92.4%	(0.5%)	93.3%	(0.9%)
People					
Lost time frequency (per 200,000 hours worked)	4.92	5.40	(0.48)	3.00	(2.40)
Service Statistics					
Service Hours	330	327	(3)	329	(2)
Service Kilometres	13,018	12,899	(119)	12,976	(77)
Boarded Passengers	28,782	28,346	(436)	30,426	(2,080)
West Coast Express					
Customer					
Overall performance rating out of 10	8.5	8.5	-	-	
Complaints per 1 m boarded passengers	275.2	344.4	(69.2)	206.8	(137.6)
Service reliability (% service hours delivered)	99.8%	99.9%	0.1%	99.9%	
On-time performance within 5 minutes	97.1%	98.6%	1.5%	97.6%	1.0%
Passenger injuries per 1 million boarded passengers	-	-	-	0.34	0.34
Internal Effectiveness					
Operating cost per passenger km.	$0.189	$0.219	$(0.030)	$0.196	$(0.023)
Operating cost (excluding energy) per passenger km.	$0.174	$0.202	$(0.028)	$0.181	$(0.021)
Operating Cost per capacity kilometre	$0.086	$0.096	$(0.010)	$0.092	$(0.004)
Boardings per service hour	69.2	66.9	(2.3)	71.3	(4.4)
Utilization (Passenger Kms./Capacity Kms.)	45.5%	44.0%	(1.5%)	46.8%	(2.8%)
Mean distance between vehicle failures	167,731	341,267	173,536	227,763	113,504
Overall mystery shopper score	89.6%	88.0%	(1.6%)	87.5%	0.5%
People					
Lost time frequency (per 200,000 hours worked)	-	-	-	-	-
Service Statistics					
Service Hours	10	10	0	10	(0)
Service Kilometres	361	367	6	367	(0)
Boarded Passengers	694	682	(12)	728	(45)
Expo & Millenium Line					
Customer					
Overall performance rating out of 10	8.2	8.1	(0.1)	8.3	(0.2)
Complaints per 1 m boarded passengers	4.8	7.7	(2.9)	5.0	(2.7)
Service reliability (% service hours delivered)	99.7%	99.3%	(0.4%)	99.8%	(0.5%)
On-time performance %	96.5%	91.5%	(5.0%)	96.0%	(4.5%)
Collisions & Derailments per million kms.	-	-	-	-	-
Passenger injuries per 1 million boarded passengers	1.25	2.28	(1.03)	1.00	(1.28)
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.0	8.0	-	8.0	-
Internal Effectiveness					
Operating cost per passenger km.	$0.132	$0.145	$(0.013)	$0.140	$(0.005)
Operating cost (excluding energy) per passenger km.	$0.119	$0.132	$(0.013)	$0.127	$(0.005)
Operating Cost per capacity kilometre	$0.023	$0.026	$(0.003)	$0.026	$
Boardings per service hour	67.4	66.8	(0.6)	69.7	(2.9)
Utilization (Passenger Kms./Capacity Kms.)	17.5%	17.8%	0.3%	18.7%	(0.9%)
Mean distance between vehicle failures	491,798	407,918	(83,880)	428,819	(20,901)
Overall mystery shopper score	93.6%	92.8%	(0.8%)	94.0%	(1.2%)
People					
Lost time frequency (per 200,000 hours worked)	4.92	5.40	(0.48)	3.00	(2.40)
Service Statistics					
Service Hours	272	269	(3)	271	(1)
Service Kilometres	10,977	10,850	(127)	10,909	(59)
Boarded Passengers	18,366	17,990	(376)	18,858	(868)
Canada Line					
Customer					
Overall performance rating out of 10	8.7	8.7	-	8.3	0.4
Complaints per 1 m boarded passengers	11.6	7.2	4.4	3.0	4.2
Perception of Safety (On-Board & At stops and exchanges) out of 10	8.7	8.8	0.1	8.5	0.3
Internal Effectiveness					
Operating cost per passenger km.	$0.265	$0.263	$0.002	$0.257	$(0.006)
Operating cost (excluding energy) per passenger km.	$0.265	$0.263	$0.002	$0.257	$(0.006)
Operating Cost per capacity kilometre	$0.095	$0.093	$0.002	$0.094	$0.001
Boardings per service hour	202.5	201.3	(1.2)	208.3	(7.0)
Utilization (Passenger Kms./Capacity Kms.)	35.7%	35.5%	(0.2%)	36.7%	(1.2%)
Contract adherence monitoring	95.6%	96.3%	0.7%	98.5%	(2.2%)
Service Statistics					
Service Hours	48	48	0	49	(0)
Service Kilometres	1,681	1,682	1	1,699	(17)
Boarded Passengers	9,722	9,674	(49)	10,113	(439)

Appendix 3: Allocated Costs between Divisions

ALLOCATED COST BREAKDOWN As of March 31, 2014 ($ thousands)	YTD Actual 2013	YTD Actual 2014	YTD Year-over-Year Change	 %	YTD Budget 2014	YTD Budget Variance Fav/(Unfav)	 %	Annual Budget 2014
Shared services costs allocated [1]								
CMBC	4,447	5,575	1,128	25.4%	6,398	822	12.9%	26,011
BCRTC	161	198	38	23.3%	198	(0)	(0.1%)	802
WCE	15	11	(4)	(24.8%)	21	9	45.9%	83
Canada Line	-	-	-	-	-	-		-
Police	291	349	57	19.6%	450	102	22.6%	1,692
Roads & Bridges	-	625	625	0.0%	-	(625)	0.0%	-
TransLink	(4,914)	(6,758)	(1,844)	(37.5%)	(7,067)	(308)	(4.4%)	(28,588)
Total	-	-	-	-	-	-	-	-
Costs administered by TransLink and allocated to subsidiaries [2]								
CMBC	5,061	4,459	(603)	(11.9%)	4,645	186	4.0%	18,579
BCRTC	1,124	1,136	11	1.0%	1,359	224	16.5%	5,437
WCE	3,125	3,549	424	13.6%	3,584	34	1.0%	14,748
Canada Line	575	629	54	9.4%	702	73	10.4%	2,808
Police	42	438	396	941.9%	462	24	5.2%	1,847
Total	9,927	10,211	283	2.9%	10,751	541	5.0%	43,419
Total Allocated costs to Subsidiaries from TransLink								
CMBC	9,508	10,034	525	5.5%	11,042	1,008	9.1%	44,591
BCRTC	1,285	1,334	49	3.8%	1,557	223	14.3%	6,239
WCE	3,140	3,560	421	13.4%	3,604	44	1.2%	14,831
Canada Line	575	629	54	9.4%	702	73	10.4%	2,808
Police	333	786	453	135.8%	912	126	13.8%	3,539
Total	14,842	16,344	1,502	10.1%	17,818	1,474	8.3%	72,007

[1] Includes Business Technology & Human Resources costs

[2] Includes property tax, building leases, insurance, fare media costs, and compass card operating costs

* Negatives represent allocations out, positives represent allocations in

Note: human resources costs are allocated based on headcounts, while Business Technology costs are allocated based on operating usage.